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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration

January 8, 1952

P R E S S D I G E S T

A Sample of Newspaper Stories and Comment Regarding the
Rural Electrification and Rural Telephone Program

ELECTRIFICATION

MISSOURI BASIN POWER AVAILABLE TO REA
CO-OPS; CHAPMAN ANNOUNCES

Wall Street Journal
November 29, 1951

Hydroelectric power from Federal plants on the Missouri River Basin Reclamation Project will be made available for the first time to municipalities, REA co-ops, and other government preference customers in southern and western Minnesota, western Iowa and Nebraska, Interior Secretary Chapman announced. He removed existing restrictions on marketing the power beyond a radius of 150 miles from Ft. Randall Dam and 275 miles from Garrison Dam on the Missouri River in N. D. and said congressional appropriations last year for new power plants have made removal of the restrictions possible.

U. S. ENDORSES REA-PRIVATE POWER PLAN

Story by Wilbur Elston in
Minnesota Morning Tribune
December 5, 1951

The Bureau of Reclamation Tuesday endorsed a plan worked out by 16 Rea-co-ops and 3 private power companies to bring electric power into Minnesota from government dams on the Missouri River. The plan calls for the line to run roughly from the Garrison Dam in North Dakota to Fergus Falls, Granite Falls, Benson and Mankato, Minnesota, then west to the Missouri in South Dakota connecting with the Ft. Randall, Oahe and Gavins Point power projects. Under the present schedule power is to be available from Ft. Randall about November 1953 and from Garrison about April 1955. The government would send power from its Missouri dams over the big line on the first leg of its trip to the consumer. At appropriate points, the line would be tapped and power put into the lower voltage lines of the co-ops and private companies. They in turn would distribute the power to the consumers. Primary objective of the plan, the group said, is to make the best use of all facilities in order to keep the cost down to the public. Participating in the agreement were the Interstate Power Company, Northern States Power Company, Otter Tail Power Company and 16 REA-co-ops.

Senator Humphrey's office last night issued a statement indicating that he intends to press for legislation to build the 230,000-volt line to bring the power into Minnesota.

October 29, 1951

The preference clause is a bribe to people to swap private for public power. Under it, federal agencies, state power authorities, municipalities, and REA-financed co-ops get preference in buying power from the project. The following statement was made to the "Electrical World" by George R. Jones of the Idaho Public Utilities Commission, after passage of the NARUC resolution condemning the preference clause:

The will of Congress is stretched to include interpretations and practices which have been built up by various bureaus. These clauses constitute one of the main bases for the federal government to engage in the power business on a subsidized, special privilege basis in competition with the tax-paying electric companies. Power users are entitled to equal treatment from government agencies regardless of their immediate supplier of electricity. The right to obtain government power should be in accordance with the requirements of public convenience and necessity and not the basis of ideologies imposed by or interpreted into law.

NO QUESTION HERE

Indiana Rural News

October 1951

Those who heard Administrator Wickard speak at Dayton, Ohio last month were impressed with his statement on the REA policy governing loans for G and T facilities. He said he can easily understand why the commercial power companies are opposed to farmer-owned G and T plants. They naturally regard such facilities as a threat to their markets and profits. What he cannot understand is that there seems to be a question in the minds of some co-op leaders over the right of farmers to own G and T systems. He cannot see why farmers do not have this right when no question is ever raised about the right of big corporations, such as U. S. Steel, to install their own generation equipment.

FRENCH BROAD REA CO-OP GETS PERMIT FOR
NORTH CAROLINA PROJECT

AP dispatch in the
Raleigh (N.C.) News and Observer
November 27, 1951

The Power Commission gave the French Broad Electric Membership Corporation a 6-month preliminary permit for a proposed hydro-electric project in the Cane River, Yancey County, N. C. The proposed development would include a dam about 3,000 feet upstream from Elk Shoal, and a power house with 10,000 kw capacity at Ramsaytown, N. C. It would be financed by REA funds.

CO-OPS: ONE REASON OUR TAXES ARE HIGHER

Alabama Journal
Montgomery, Alabama
October 24, 1951

Our federal income taxes have been raised again. Yet the Congressmen are still letting the co-ops go tax-free. Obviously, they'd rather we already loaded-down taxpayers would shoulder an extra tax-burden than

offend these politically-powerful co-ops by taxing them their rightful share. We the people, are paying a billion dollars worth of extra taxes a year to make up for the billion dollars worth specially-exempt, favored co-ops are not paying. Our increasingly professional politicians don't hesitate to take our money while they kneel in subservience before the professional lobbyists of tax-free cooperatives.

THE COOPERATIVE STAKE IN MORAL
INTEGRITY

Editorial in
Wisconsin REA News
November 1951

John TePoorten, coordinator of the state vocational schools, offered some timely advice to members of the Bayfield Electric Cooperative at the recent annual meeting at Iron River. He warned of a dangerous threat abroad in our land, - the practice employed by some politicians and lobby groups of falsely pinning an unpopular label on ideas or people with whom they disagree. "Socialism" and "Communism" are such labels. The co-op and publicly-owned power movement has suffered more than its share of this abuse. Rural free delivery, social security, and many other measures to improve the general welfare, were all attacked as "socialistic" when they were first proposed. But the electric utilities, for example, are spending millions of dollars to try to convince the people that REA and public power are "socialistic." Co-ops, because they are founded on the principle of freedom, are the first targets of those who destroy freedom.

PACIFIC NORTHWEST POWER SHORTAGE
EASED BY WEEKEND RAINS

Portland (Ore) dispatch in
Wall Street Journal
November 15, 1951

Heavy rains last weekend have stalled off any further critical power shortage in the Pacific Northwest for "at least three weeks," J. H. Gumz of DEPA reported. The rains should bring some savings to the private utilities, too. "We had been expecting to bring in some steam generation some time this week to take care of part of the interruptible load," Mr. Gumz said.

20,000 ATTEND IOWA ANNUAL MEETING

IRECA NEWS
Des Moines, Iowa
November 1951

Wilton -- On October 2 over 20,000 members and friends of Eastern Iowa Light and Power Cooperative gathered in Wilton to pay tribute to the co-op that provides electricity for their homes and farms. Thousands inspected the electrical equipment displayed in two mammoth tents while at least 1000 could be found at most any time watching the baseball play-offs on a dozen television sets on the premises. Dick Offringa, former Linn County Extension Director, opening the meeting, declared that democratic America was established and is operated on the same principles used by the Eastern Iowa and other cooperatives.

ELECTRIFICATION ADVISERS

Story by Lucile Holmes in
Electrical South
Atlanta, Georgia

Efficient use of power is helping solve many of the farmer's problems. Saving time, making farm work easier, raising living standards - these always have been the objective of the rural electrification program. Electrification advisers are helping farm families to do this. In 18 southeastern States, nearly 300 men and women are working hard at this job. The right choice of electrical equipment and its efficient use are tremendously important, whether the farm family has a lot to spend or a little. These advisers conduct demonstrations, often edit newsletters for members, and many cooperate with local dealers. Their knowledge of buying intentions of farm people helps appliance dealers in meeting the needs of their farm customers.

RURAL ELECTRIFICATION (in the British Isles)

Third Report of the
British Electricity Authority
Year ending March 1951

As a result of restrictions on capital investment after the economic crisis of 1949, rural development had to be slowed down. The effect, in terms of new consumers, did not become apparent during 1950-1 as there was considerable work already in hand. The number of farms connected during the year was 9,933, the highest annual increase yet recorded. As restrictions have continued and become more severe, it will be increasingly difficult to maintain this rate of development. Increased calls on the Authority's agricultural advisory service were made, the more important relating to electrical methods of crop-drying, soil-warming, glasshouse-heating and dairy-sterilization.

CENTURY-OLD MILL SERVED BY CO-OP

Arkansas REA News
October 1951

The ancient stone burrs of a 100-year old water mill and the modern-day miracle of electricity on the farm are combined in Eastern Oklahoma to turn out the kind of corn meal that grandmother used. The mill is served by Ozarks Rural Electric Cooperative of Fayetteville. One of the most interesting pieces of machinery at the mill is a drier-sterilizer which moves corn on an endless belt under a battery of 42 250-watt infra-red ray heat lamps. Electricity has been used to overcome one of the faults of old time corn meal. The battery of heat lamps subjects the corn to a temperature of 165 degrees which completely sterilizes the product and kills any weevil eggs that might be in the corn. The old mill can turn out a hundred bushels of corn each eight-hour day and is better than breaking even as a commercial enterprise.

NEW EQUIPMENT IS EXPLAINED
AT RURAL POWER CONFERENCE

The Roanoke (VA) Times
November 9, 1951

Natural Bridge - New equipment and appliances got top billing here at the 13th Annual Virginia Rural Electrification Conference. J. P. Schaenzer, head of the Electro-Agricultural Section of REA, had an array of electrical gadgets. Among them: A Christmas tree turner; a deodorizer; calf dehorner; heating panels; self-washing cream separators; delayed action switch. Dr. T. E. Hinton, head of the Farm Electrification Division of the Agricultural Research Administration of the U.S.D.A., saw new hope for farmers troubled with insects in stored grain. He said possibilities of insect control in grain dried with dielectric heat are being studied. Wheat samples, infested with the rice weevil, have shown complete mortality of the insect when subjected to dielectric heat for a period of 10 seconds.

TELEPHONES

OUR EXPERIENCE IN FINANCING
SMALL INDEPENDENT COMPANIES

Article by P. J. Lucier, Stromberg-
Carlson Company in
Telephony
November 17, 1951

Larger companies were better prepared to meet financial problems resulting from expansion and conversion programs. This was not true of companies of less than 2000 stations. They had met normal growth out of profits and depreciation expense. These companies are largely family units. They are honest, intelligent, industrious folks - the very backbone of the Independent industry. On their success hinges whether telephony in America will be run by individuals or by government. After the war, companies began falling 30 to 90 days behind [in settling for purchases from suppliers]. In many instances the suppliers took installment notes. In other cases companies made short-term loans from local banks. Both of these methods were evading the real facts. About this time Stromberg-Carlson set aside a fund to make 10-year loans to small companies. Stromberg learned some financial facts of life:

1. Small companies consistently underestimate the demand for good service.
2. They sometimes underestimate the amount of money they need.
3. It is possible to lend greater amounts in proportion to equity than is generally accepted as sound banking practice and still have a good loan.
5. Depreciation dollars can be used with safety to repay principal if the plant is in good condition.
9. Ten years payout is not long enough.

All loans have been good, with no default. A manufacturer could not hope to supply the demand for funds. It was clearly the job of a lending institution. Our advice was the Stromberg-Carlson Credit Corporation. Our report was taken to the Metropolitan Life Insurance Company.

S-C Credit Corporation began its operations in January of this year. It has already made loans in every section of the country for periods up to 20 years for the purchase of all types of telephone equipment and supplies, for outside plant construction and rehabilitation, for office and equipment buildings, labor costs, and any other items necessary including the re-funding of moderate previous indebtedness. Funds may be loaned up to 75 percent of the [value of the resulting system.]

[Borrowing money for the first time provides small companies] an opportunity to get their house in order, to take a hard look at the future, to get down on paper just what is their growth potential. Exactly how much will it take to do the job, how good are their accounting records, are they properly incorporated, is the franchise up to date, is the deed valid and the title clear? It is amazing how often these vital facts are lacking. S-C Credit Corporation is far from the final answer. We do believe it has been a notable step forward. The job of financing small companies is just beginning, but the beginning, as we have found, is the hardest part.

GROUP PLANS RURAL PHONE DEVELOPMENT

Raleigh (NC) News and Observer
November 28, 1951

A ten-point program of assistance in getting telephones into rural areas of North Carolina has been outlined by the State Agricultural Mobilization Commission. Backing up the program is the North Carolina REA Authority. The boiled-down program:

1. Recognition of need for service and its contribution to better rural living.
2. Encouragement of telephone companies in supplying service.
3. Subscription by home-owners to telephone service.
4. Use of latest telephone research.
5. Local surveys showing how much service is needed.
6. Support by State agricultural and civic groups.
7. Coordination of efforts between REA and the Utilities Commission.
8. Service through mutuals and private lines.
9. Service through existing companies.
10. Service through subscriber-owned and operated co-ops.

KANSANS OPPOSE FORMATION OF REA CO-OP

Telephony
November 10, 1951

Residents of a 9-county area in southwestern Kansas recently sent representatives to Topeka to protest against the issuance of authority to establish an REA telephone exchange in the Ulysses vicinity. Hart Day, editor of the Ulysses NEWS, said that city officials of Ulysses and

other towns have protested against the project which would be established with a \$1,089,000 REA loan. He said that no private company would think of making such an application to operate telephones in the sparsely populated communities. Anyone would go broke if he didn't have the backing of government money, he added.

LARGEST IOWA MUTUAL SOLD TO NW BELL

Telephony
November 10, 1951

Stockholders recently voted the largest mutual telephone company in Iowa out of business. They voted to accept the offer of NW Bell Telephone Company to buy the Red Oak (Iowa) Mutual Telephone Company. The company president said the sale price would enable the company to repay all the stockholders in full for money they have invested since the company was organized in 1902. It had nearly 600 subscribers and owned 205 miles of lines. NW Bell is erecting a \$180,000 building in Red Oak. When it is completed, the exchange will be cut over to dial.

FARMERS CAN HAVE TELEPHONES

Editorial in the
Indiana Rural News
October 1951

Before REA was established, it made no difference how much a farmer wanted electricity, he could not get it. Today farmer-owned co-ops are taking electricity to 132,000 farms and rural establishments in Indiana. Today the same opportunity exists for the farmer who wants a telephone. The job must be done locally by farmers in their own communities. REA has no intention of going into the telephone business any more than it has ever gone into the electric business; it is only the banker. Farmers who go after good telephone service and get it, will some day wonder how they ever managed without it.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Rural Electrification Administration

February 1, 1952

P R E S S D I G E S T

A Sample of Newspaper Stories and Comment Regarding the
Rural Electrification and Rural Telephone Program

ELECTRIFICATION

Excerpts from resolutions adopted by
the American Farm Bureau Federation at
its recent annual convention, in the
AFBF Official News Letter
December 24, 1951

Electricity on the farm is a great contribution to improved rural living conditions and to increased production in agriculture. Prolonged and frequent shortages on rural lines reduce production. If the facilities of private utilities are not expanded to meet the increased requirements, or if such energy is not available on terms equivalent to or less than those which can be provided by REA-financed plants, it will be necessary to use more of the funds appropriated to the REA to finance the facilities and services farmers need. We will oppose any efforts to change the present law which makes this possible. We urge that members of rural electrification and rural telephone cooperatives receive credit for equities which result from their contributions as participants and that these projects become the property of the members when the loans are repaid.

The importance of electric and communications services to farmers is greatly increased in national emergencies. Necessary appropriations should be made to carry out the intent of the Telephone Act. This is justified because telephone service will increase economic production which is anti-inflationary.

POWER SHORTAGE INCREASE IN 1952,
FAIRMAN FORECASTS

AP dispatch in
New York Times
December 7, 1951

An increasing power shortage in 1952 was forecast by DEPA chief James F. Fairman. He said that failure to increase the margin between supply and demand "means that during 1952 we can expect greater areas in which the power supply will be precarious." Shortages this year, the Administrator said, interrupted aluminum production for three weeks in the Pacific Northwest; electric furnace operation in the Pittsburgh area; aluminum production at Badin, N. C., and ferro-alloy production

in S. C. Mr. Fairman indicated electric power utilities plan to increase generating capability by about 30,000,000 kw in the next three years, and estimated an increase in requirements of about 9,500,000 kw next year. He added if material shortages continued, it was unlikely that production could be increased by the scheduled 10,000,000 kw.

PUSH FOR MORE POWER

Column by Peter Edson in
Washington (DC) Daily News
December 29, 1951

Electric power consumption in the U. S. for the year is expected to be over 432,000,000,000 kwh. This is another record and there is every indication that consumption will rise during 1952, 1953, 1954. About three-fourths of today's power is generated by private utilities, railways and industrial producers for their own use. The other fourth is public power. They are in a sense competitive. But a new and better relationship of public power policy toward private power seems to be in the making. The Secretary of Interior concedes that "the private power industry is doing a good job of expansion to meet defense needs. ****" Biggest obstacle to continuing both private and public power expansion is the shortage of construction materials -- Total power capacity required a year from now will be 85,800,000 kw with actual production capacity of only 84,500,000 kw.

THEY RESORT TO PLAIN LYING

Jackson (Miss.) Daily News
December 9, 1951

The REA boys are holding a series of regional meetings in Mississippi and importing Welfare State orators from Washington. Ben W. Creim, Administrator of SEPA, warned of the invasion upon the shores of the co-ops of a long-dreaded attack. The invading enemy, he said, is the serious shortage of electric power here in the Southeast. Officials of Mississippi Power & Light Company stated there is no power shortage in the territory served by it. The heads of both the Alabama and Georgia Power Companies denied that the Southeast has run out of electric power. It would be a shame if Creim's "power shortage" propaganda should halt the Southward march of industry. REA Administrator Wickard said at Biloxi there are some that seem to doubt the right of farmers to put in their own generating and transmission facilities, that he could not understand this when no question is raised about big corporations, such as U. S. Steel, having the right to install their own generating facilities. Our Senators and Congressmen need to demand the final figures by states, of all farms STILL to be served, and then make the money immediately available to do the rural electrification job, 100 percent. Then close the REA down immediately. We do not need it as another taxpayer financed propaganda agency for expanding government in business.

TVA ASKS INDUSTRIES TO CUT POWER USED
IN PEAK HOURS

Nashville, Tennessee dispatch in
Wash Street Journal
December 4, 1951

The TVA has requested large industrial consumers to help prevent a power shortage this winter by cutting their use of electricity during peak hours. The power manager said the "peak shaving" plan for industry will enable TVA to get through the winter without "brownouts" or curtailments on consumption. This statement coincided with one made in Atlanta by the SEPA Administrator that the southeast may be faced with a power shortage next month.

ATOM IS USED IN PRODUCTION OF
ELECTRICITY

UP dispatch in
Washington (DC) Post
December 30, 1951

The Atomic Energy Commission announced that nuclear energy has been harnessed to produce electrical power for everyday uses. On December 21 the AEC powerful "breeder reactor" near Arco, Idaho, was "tamed down" to generate electricity for the lights in the building that houses it. AEC scientists said it marked the first time in history, outside the Iron Curtain at least, that the power of the atom has generated power for such a commonplace, peaceful use. The Arco experiment was expected to spur interest in the possibility of commercial power production by private firms. The AEC said the man in the street is not necessarily any closer to owning an atomic-powered home or automobile. The goal now is to produce as much fissionable material as possible for atomic weapons.

CO-OP POWER MAKES RURAL INDUSTRY
POSSIBLE

Illinois REA News
December 1951

With the advent of co-op electricity has come the growth of many rural industries. Recently, the Southeastern Illinois Electric Co-op of Harrisburg added a saw-mill to its service lines. Almost from the time the logs are delivered at the mill until they become finished products, electrical energy is used exclusively in the processing. From 10,000 to 12,000 board feet of lumber are processed daily at the log-mill. The mill owner says "Electricity is cheaper than gasoline power." His mill illustrates how rural industry has benefited from the growth of rural electrification.

POWER ISSUE SEEN TAKING NEW TURN

Story by Thomas P. Swift
New York Times
January 6, 1952

A new note has been injected into the controversy of private vs. public ownership of the nation's electric power facilities. Labor, in the past, has made little, if any, attempt to block the nationalization of one of the country's most important industries. Today the story takes on a different hue. Frank W. Jacobs, Vice President of IBEW American Federation of Labor, says the program of public power has been extended step

by step to the point of peril to legitimate free enterprise and free labor. The Chicago Federation of Labor with a membership of close to 600,000 recently repealed Section 15 of its constitution which advocated public ownership and operation of power, gas, water, telephone and local transport facilities. Apparently, the tide is turning, and organized labor is taking steps to stop the displacement of private utility companies with government utilities.

TELEPHONES

GRISWOLD PHONE FIRM TO REBUILD LINES

The Red Oak (Iowa) Express
December 6, 1951

Officials of the Griswold Co-op Telephone Company expect to be started by the first of the year on a rebuilding project in which all of the firm's 120 miles of line will be rebuilt. The finish is expected to give the Griswold Community a modern, up-to-date telephone system. The job will be accomplished through an REA loan of \$149,000. The labor and materials contract, which is not official until confirmed by the REA, went to Cushing Construction Company of Woodbine. Engineering work is being done by Henningson, Durham and Richardson, Inc., of Omaha. They were selected by the Griswold firm officials but had to be approved by the REA. When the rebuilding is finished, rate schedules will be increased. Firm officials are in accord with the REA planning on the project and are satisfied with all arrangements and terms of the loan.

HIGHLIGHTS - RURAL TELEPHONES

Fortnightly Telephone Engineer
January 1, 1952

Villisca (Iowa) Farmers Telephone Company announced completion of one-third of new line construction project. Company rejected \$313,000 REA loan last summer; plans rebuilding of all rural lines, 28 miles of new line, conversion to dial operation, and purchase of new exchange building with \$175,000 private loan.

MORE REA TELEPHONE LOAN PROGRAM CHANGES

Electrical World
December 20, 1951

REA will not set up a separate telephone loan division. Instead it will centralize telephone loan activities under a special office in the Engineering, and the Applications and Loans Divisions. REA officials have admitted this "new" business is not like the electric business. Another situation which REA has had to contend with has been a new "borrower-banker" relationship where the borrower knows more perhaps than the banker. In its electrification program, REA dealt with newly formed co-ops. Few if any established electric companies were involved. Now REA finds itself dealing with [established] companies. The latest change is the appointment of two officials as Assistants to the Chiefs of the Engineering, and the Applications and Loans Divisions. They are: K. W. Benckert, Engineering, and Edward W. Maddox, Applications and Loans. Upon these two men will rest the responsibility for centralized control of the telephone loan program.

ASSOCIATION ACTIVITIES
Alabama-Mississippi Association

Fortnightly Telephone Engineer
January 1, 1952

One of the most interesting of the Convention's features was the "Small Company Plant Conference." This conference was of more all-around information value than any such conference the Alabama-Mississippi Association has yet tried. The presence of plant technicians from Southern Bell and REA in the audience was also of value since on many specific questions of controversial nature, the opinions of several companies and organizations could be brought out with authority.

STATE TELEPHONE ASSOCIATION ACTIVITIES

Telephone Engineer and Management
December 1951

At the 29th Arkansas Telephone Association meeting at Hot Springs, D. B. Corman, REA engineer, reviewing the history of Independents in America, said the turning point upward for financially strapped owners was in 1949 when the federal government authorized REA loans. He added that the REA has not set up a competitive organization, that the law prohibits it from making loans to finance a new system in any area where reasonably adequate service is rendered. He continued that there is quite a bit of money in the REA vaults which the organization is eager to loan out where it is needed. Mr. Corman termed the REA financing plan the most liberal ever offered to Independent companies.

REA MOVIE

Electrical World
January 3, 1951

On December 19 there was a movie showing for the Washington REA staff of "The Telephone and the Farmer." The film is intended as a working tool for those engaged in the REA program. It is particularly designed for use by telephone co-op organizing groups, but is also available for electric co-op meetings and other community gatherings. REA reports the new REA movie tells the story of how one community finds the answer to its rural telephone problem and how better service can benefit the community and the nation.

REA TELEPHONE TESTING LABORATORY

Electrical World
December 20, 1951

The Fredericksburg and Wilderness Telephone Company of Chancellorsville, Virginia is the first company to put new equipment and extended lines into operation under the REA telephone loan program. REA spokesmen have been watching the operations of this company to get information. Studies involve the increase in calls per family, trends in long-distance call, the effect on farm land values, and how the facilities stand up under adverse weather conditions. REA is interested in learning to what extent the new service helps farmers in marketing their produce. In addition the company is undertaking telephone service through a radio hookup. The radio link being installed will serve a group of farmers so

far removed from other telephone facilities that to provide service by extending lines would be too costly. If successful, REA is hoping such equipment will solve the problem of providing telephone service to "isolated pockets" of farms.

WASHINGTON BUREAU REPORTS
(copper allotments)

Telephone Engineer & Management
December 1951

The recent appeal by the Bell System to NPA for more copper for the first quarter of 1952 stressed among other points: Demand for telephones far in excess of supply; inability to meet public requirements in the U. S. present in only one industry, communications - growing evidence that the public is organizing to make the shortage of telephone service a question for government concern. During World War II there was practically no new construction to meet civilian needs and a backlog of over two million unfilled orders for service was built up. The appeal commented it had been hoped the shortage would be substantially cleaned up by the end of this year but hostilities in Korea reversed this situation. As a result, there are now 800,000 people waiting for service who have no telephone at all, another 1.8 million are waiting for improved service, and there is a shortage of 16,000 toll circuits.

